



UNITED STATES DEPARTMENT OF COMMERCE
National Oceanic and Atmospheric Administration
Washington, D.C. 20230

OFFICE OF THE GENERAL COUNSEL

1315 East West Highway
Silver Spring, MD 20910

7 January 2005

Gene O'Connor, Esq.
Fowler, Rodriguez & Chalois
266 Main St.
Port Washington, NY 11050

Tim Bergere, Esq.
Montgomery, McCracken, Walker & Rhoads, LLP
123 S. Broad Street
Philadelphia, PA 19109

Dear Gene and Tim,

RE: Athos 1 Spill; NRDA Up-Front Funding

Per our discussion on January 3, 2005, I presented your client's offer to provide a total of \$100,000 in up-front funding of some of the natural resource damage (NRD) costs to the Trustees. We appreciate your efforts to secure this funding.

The Trustees have agreed to an allocation of \$100,000 as described in this letter. Please advise your client that the allocations do not cover all costs incurred by the Trustees receiving allocation portions. Furthermore, both NOAA and the Commonwealth of Pennsylvania have agreed to forgo up-front funding with the expectation that damage assessment costs incurred will be reimbursed once a Trustee - Responsible Party (RP) Memorandum of Agreement (MOA) is executed. Likewise, the States of New Jersey and Delaware and the U.S. Department of the Interior will seek reimbursement of any NRD costs incurred but not covered by the \$100,000.

The Trustees hope that the Trustee-RP MOA will be executed quickly. Should negotiations become protracted and delay the execution of the MOA, the Trustees may seek more up-front funding from the RP.

The allocation of up-front funds, along with specific payment instructions, is as follows:

U.S. Department of the Interior: \$50,000

- Please make the check payable to the "Department of Interior" and reference "Athos 1 Oil Spill" and "NRDAR Account Number 14X5198."
- The check should be mailed to:



U.S. Department of Interior
NBC/Division of Financial Management Services
Branch of Accounting Operations
Mail Stop D-2777
7401 W. Mansfield Ave.
Lakewood, CO 80235

- A copy of the notification of payment and a copy of the check shall be sent to:
Marcia Gittes
U.S. Department of the Interior
Office of the Solicitor
One Gateway Center, Suite 612
Newtown Corner, MA 02458

Bruce Nessler, Restoration Fund Manager
Office of Natural Resource Damage Assessment and Restoration
Mailstop 4449
1849 C Street, NW
Washington, D.C. 20240

State of New Jersey: \$43,000

- Please make check payable to "Treasurer, State of New Jersey" and reference "Athos 1 Spill."
- Checks should be mailed to
Chief, Office of Natural Resource Restoration
P.O.B. 404
Station 5
501 East State Street
Building 5
Trenton, NJ 08625-0404
- Notification of payment shall be sent to:
Joan Olawski-Stiener
Deputy Attorney General
Division of Law
Richard J. Hughes Justice Complex
25 Market Street
P.O.B. 093
Trenton, NJ 08625-0093

State of Delaware: \$7,000

- Checks should be made payable to the "Delaware Division of Fish and Wildlife" and reference "Athos 1 Oil Spill"

- Checks shall be mailed to:
Delaware Division of Fish and Wildlife
89 Kings Highway
Dover, DE 19901
- Notification of payment shall be sent to:
Robert Hossler
Delaware Division of Fish and Wildlife
89 Kings Highway
Dover, DE 19901

Robert Kuehl
Deputy Attorney General
391 Lukens Dr.
New Castle, DE 19720

Please feel free to call me if you have any further questions.

Sincerely,



Sharon K. Shutler
NOAA Office of General Counsel
for Natural Resources

cc: Rachel Jacobson
Robert Kuehl
Marcia Gittes
Joan Steiner-Olawski-Stiener
Stan Sneath